



SFH Sherbourne

“Where Innovation Meets
Community”

294-298 Sherbourne, Toronto, ON

DDXIII – Team 7



Mission Statement

Our project's goal is to develop a housing complex in the core of downtown Toronto that is **Affordable, Connected, and Secure.**

Connectivity

Developing a community that promotes social, technological, and cultural connectivity with a focus on environmental sustainability.



Affordability

Provide housing options that understand and meet the diverse financial demands of student residents.

Security

Committed to providing our residence a high standard of physical and emotional safety through a design that promotes community responsibility and a culture of inclusivity.



Project Overview



DESIGN

- 12 Storey Student Residential Building
- 330 Beds
- Ground floor amenities + green space + terraces



Finances

- Total Value: 55 Million
- Equity Multiple : 2.61
- Levered IRR: 12%



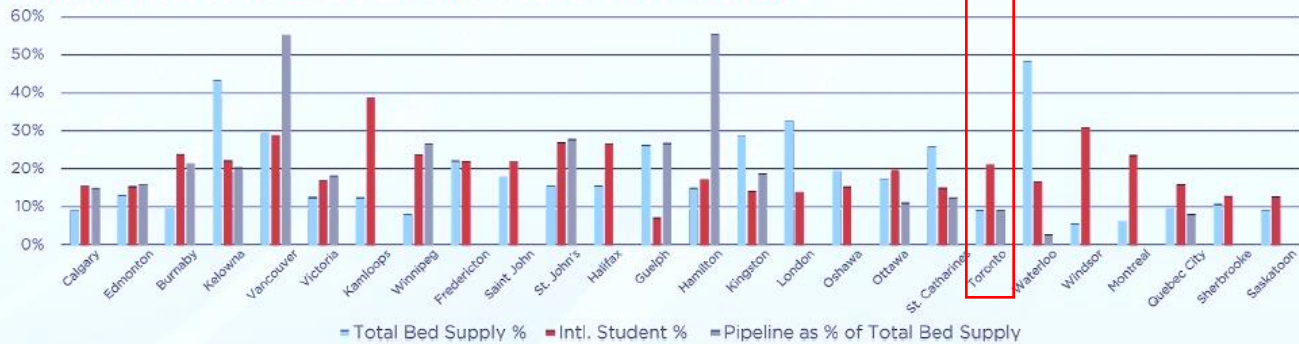
Liveability

- LEED
- WELL
- WIRED



Student Housing Market Overview

CANADIAN STUDENT HOUSING SUPPLY PIPELINE

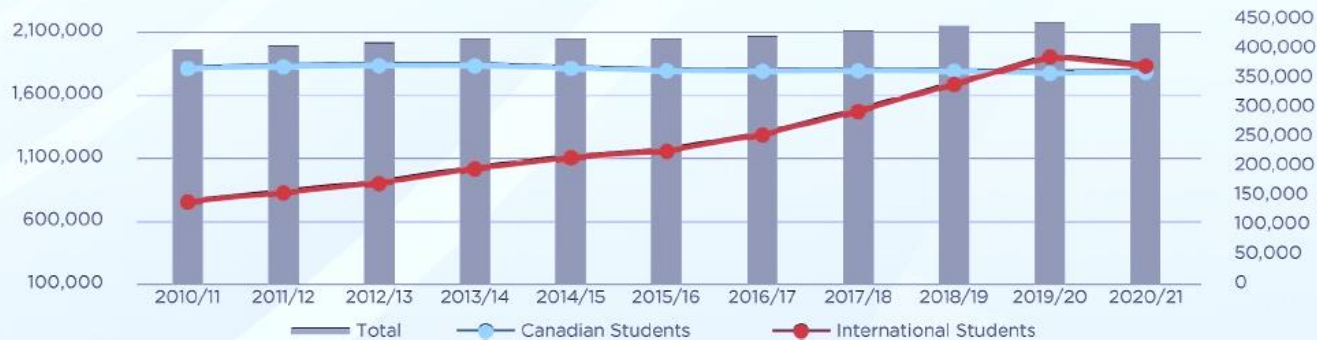


Source: Cushman & Wakefield

Major Takeaways:

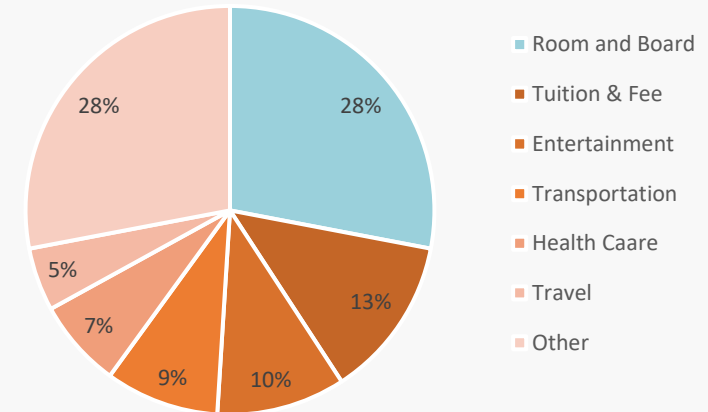
- 20% of Toronto students are international
- Toronto has a student housing shortage, only able to supply 10% of demand
- Post Secondary enrollment is steady with an increase in international students
- The average student spends about 28% of their monthly budget on housing

CANADA — POST-SECONDARY ENROLMENT



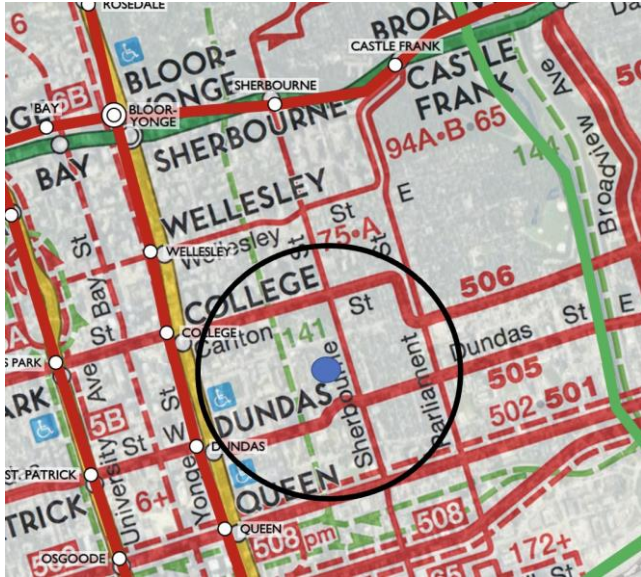
Source: Statistics Canada, Table 37-10-0086-01




AVERAGE STUDENT BUDGET



Site Analysis

Transportation

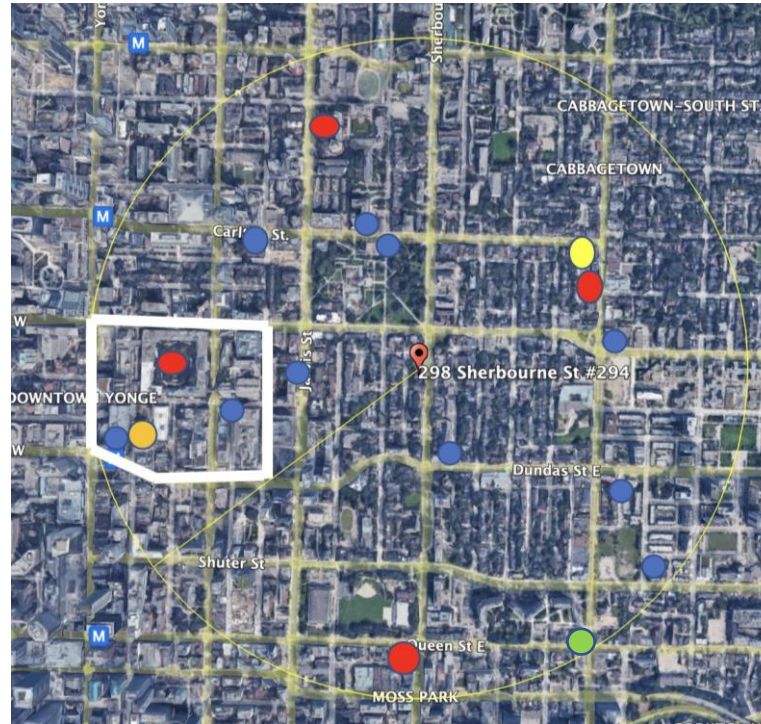









	15 min. walking radius
	TTC Stations
	Bus lines

Within 15 minute:

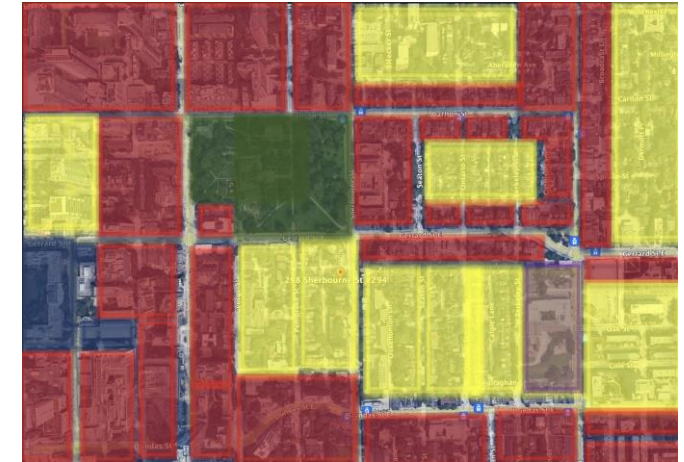
- 2 TTC Stations
- Bus access across the street
- Bike lanes on all surrounding roads






Amenities



	Libraries		Movie Theatres
	Hospitals		15 min. walking radius
	Grocery Stores		TMU School District
	Gyms		

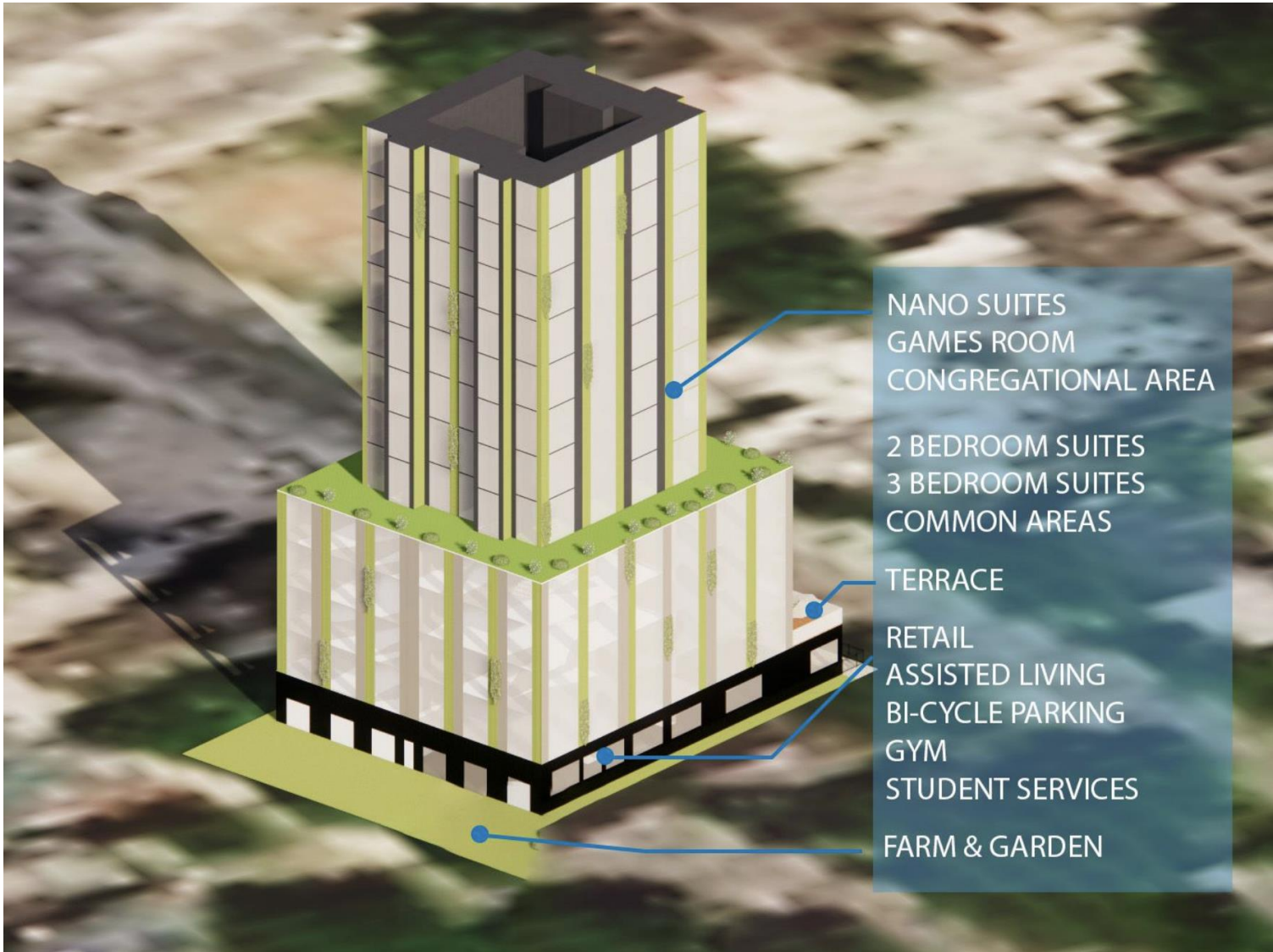
Neighbourhoods



	Green Space
	Mixed Use
	Neighbourhood
	University District
	Public School



Design Concept



Amenities and Accommodation

Common Areas

- Reservable Party Room
- Gym + Laundry Room
- Green Space w. community gardens
- Bike storage



Services

- Front Desk Security w. access control
- On site Residence Assistant (aka. Don)
 - 2 Dons per floor



Accessibility

- Accessible Units and common areas that adhere to AODA



Financial Analysis

Development Costs				
	\$ Millions	\$/Unit	\$/SF	% of Total
Land Cost	\$6,145,000.0	\$18,621	\$95.2	15.0%
Land Entitlement Cost	\$549,046.1	\$1,664	\$8.5	1.3%
Land Servicing Cost	\$1,046,178.5	\$3,170	\$16.2	2.6%
Municipal Charges	\$6,996,813.0	\$21,202	\$108.4	17.1%
Construction Soft Cost	\$3,138,535.6	\$9,511	\$48.6	7.7%
Construction Hard Cost	\$20,990,438.9	\$63,607	\$325.2	51.2%
Management Fee	\$1,193,817.4	\$3,618	\$18.5	2.9%
Financing Cost	\$927,901.0	\$2,812	\$14.4	2.3%
Total Cost	\$40,987,730.5	\$124,205.2	\$634.9	100.0%

Returns			
	\$ Millions	\$/Unit	\$/SF
Total Revenues	\$7,375,096.9	\$22,349	\$114.2
Total Costs	\$3,336,118.0	\$10,109	\$51.7
Profit	\$4,038,978.9	\$12,239	\$62.6
Unlevered IRR		7.2%	
Levered IRR		12.2%	
NPV	\$54,992,986.85		

Project Timing		
Project Start Date	date	01-Jun-23
Construction Start Date	date	01-Jan-27
Construction End Date	date	01-Jan-30
Stabilization Date	date	01-May-30



Mortgage Assumptions

- 85 % LTV
- Mortgage Rate 6%
- 40 years Amortization Rate



Financial Assumptions

	Monthly Rate	Beds
Nano Bed	\$ 1,547.81	112
2 Bedroom	\$ 2,110.65	92
3 Bedroom	\$ 1,969.94	126

Comparable Land Sale Price



Feb 2022	Oct 2021	Aug 2021	Apr 2022	Oct 2021	Mar 2022	Jun 2022
0.250	0.280	0.283	0.320	0.338	0.360	0.420
Land	Land	Land	Land	Land	Land	Land
360-368 Jane St	50 Finch Ave E	2335 St. Clair Ave	3-9 Oxford Dr	240-242 Finch Ave	1339 Danforth Rd	579-585 Lawrence Av

Expenses	% of PGI
Property Tax	8.00%
Property Insurance	2.00%
Utilities	7.50%
Administrative & General	2.00%
Advertising	0.15%
Resident Care	10.00%
Repairs & Maintenance	4.50%
Management Fee	4.00%
Payroll Taxes & Benefits	5.00%
Laundry	1.00%
Other	1.00%

Assumptions

- Discount rate of 8%
- Rental Growth Rate 5%
- Retail steps of 1.5%
- Expense Growth 2%
- Vacancy Rate at Stabilization 1%



Sustainability



Resident Wellbeing

- Promotes health and well-being
- Creation of an inclusive, safe community
- Use of “healthy” materials
- Increased Air Quality and thermal comfort



Building Health

- Sustainable Construction Practices
- Minimum Energy Performance
- Use of Renewable Energy Sources
- Efficient Building Operations
- Reduced Carbon Footprint



WiredScore
CERTIFIED

Connectivity

- Enhance energy efficiency
- Increase technological connectivity
- Improves technological infrastructure



Risk Mitigation

Risk

Mitigation



Zoning

- Not approved for Official Plan Amendment
- Delays with permits or pushback from Heritage board

- Apply early and finding partnership with local Urban development organization(ie. NBLC, IPS and etc)



Construction

- Over budget, delays, supply shortage,...

- Include a contingency for both schedule and budget within the planning stages + continuously adapt to the situation
- Design/ plan for alternatives (ie. Material, labourers,...)



Financing

- Not approved for mortgage loan
- Interest rates go up

- Look into partnership with community organizations (ie. TMU and other financial organization)
- Built in cost overheads for increase interest rates



Demographics

- Change in policy in immigration (decreasing international student population)

- Reposition amenities and orientate towards other housing need within the city

